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DEPARTMENT OF STATE

AIRGRAM

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TO: Department of State

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INFO: ALGIERS, BENGHAZI, LONDON

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NEA/ANALYSIS BRANCH

AF/EX

FROM: Amembassy TRIPOLI

DATE: May 5, 1970

SUBJECT: Decree Establishing Petroleum Negotiating Committee

REF: Tripoli 769 and 791

AF AF Revolutionary Command Council

Enclosed for the information of addressees is a copy of a translation of the RCC decree establishing an ad hoc committee to negotiate the revision of posted prices with the oil companies operating in Libya. While focused on the price problem, the committee's negotiating authority is broad enough to include all other issues outstanding between the LAPG and the oil companies, and it is specifically authorized to submit oil policy recommendations to the RCC.

The Embassy's comments on the formation of this committee, its orientation and the issues before it were given in the referenced telegrams.

JOSIF

DEPARTMENT OF STATE A/GDC/MR
REVIEWED BY CF DATE 8/7/81
EXEMPTIONS Pers or XDS ☐ EXT. DATE
TS AUTH: REASON(S)
ENDORSE EXISTING MARKINGS ☒
DECLASSIFIED ☐ RELEASABLE ☑
RELEASE DENIED ☐
PA or FOI EXEMPTIONS

Enclosure:
Translation of RCC Decree

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☑ In ☐ Out

Form DS-323 4-62

Drafted by: ECON:APlacke:md 4/30/70

Contents and Classification Approved by: ECON:LWalker

Clearances:

UNCLASSIFIED

MIDDLE EAST ECONOMIC SURVEY - April 24, 1970

TEXT OF DECREE SETTING UP LIBYA'S NEW PRICE COMMITTEE

In the name of the People,
The Revolutionary Command Council,
After reviewing Petroleum Law No. 25 of 1955 and the laws amending it,
Has decided,

Article I

A committee shall be set up to study the question of fixing prices for Libyan oil in a fair manner, taking into account its type, quality, location and other relevant characteristics. It shall also enter into contacts with companies holding licenses or concessions for the exploitation of oil in the country and negotiate with them bilateral or collective agreements, providing in particular for fixing the prices on which calculation of the companies' accounts is based.

Article II

The committee referred to in the foregoing article shall be constituted as follows:

(1) Dr. Mahmuud Sulayman al-Maghrabi, Chairman.

(2) Mr. 'Umar Mustafa al-Muntasir, Deputy Director General of the Libyan National Oil Corporation, Member.

(3) Mr. Abd al-Hay bin 'Umran, Director General of the Technical Department in the Ministry of Petroleum and Minerals, Member.

Article III

The committee may undertake such activities as are necessary for carrying out its functions, and in particular the following:

(1) To seek the assistance of technicians, experts and those engaged in the oil industry, both inside and outside Libya, as it deems necessary.

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(2) To contact authorities, establishments and organizations operating in the field of oil.

Article IV

The committee, in the light of the studies and negotiations conducted by it, may recommend the taking of any steps and measures it deems fit to lay down the bases and principles for oil policy in such a way as to ensure the protection of the people's interests and the attainment of their legitimate rights in respect of the oil produced from their territory.

Article V

The committee shall submit its studies, recommendations and findings to the Revolutionary Command Council for consideration and issuance of the appropriate decisions and measures. The committee shall be responsible for its activities to the Revolutionary Command Council.

Article VI

All agreements concluded by the committee with the oil companies for the fixing of prices and other matters falling within the scope of its functions shall be subject to ratification by the Revolutionary Command Council.

Article VII

The committee shall draw up regulations for the conduct of the work and its procedures.

Article VIII

This decision shall come into effect as of the date of its issue, and shall be published in the Official Gazette.

Issued on 7 Safar 1390, corresponding to 14 April 1970.

The Revolutionary Command Council.

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